



**Request for City Council Committee Action  
From the City Attorney's Office**

Date: June 4, 2013  
To: Ways & Means/Budget Committee  
Referral to:

**Subject:** Marine Shale Processor's Site

**Recommendation:** That the City Council authorize the proper City officials to enter into the proposed Settlement Agreement (Petition #\_\_\_\_\_) for a de minimus settlement in the amount of \$4,000.00 with the Marine Shale Processors Site PRP Group regarding the City's disposal of waste at the Marine Shale Processor's Site and authorize a payment from Fund/Org. 06300-685000 Traffic Stores. That the City Council further authorize the City Attorney's Office to execute any additional documents necessary to effectuate the settlement.

**Previous Directives:**

Prepared by: Corey M. Conover Phone: (612) 673-2182

Approved by:

  
Susan L. Segal  
City Attorney

Presenter in Committee: Susan L. Segal, City Attorney

**Financial Impact** (Check those that apply)

☒ Other financial impact (Explain): Paid by Traffic Stores operating fund

**Community Impact**

None

**Background/Supporting Information:**

In a memorandum dated April 25, 2013, the City was notified on April 29, 2013 by the Marine Shale Processors Site Potentially Responsible Party Group ("MSPSPRG") that the City was considered to be a potentially responsible party at the Marine Shale Processors Site in Louisiana. This claim was based on the assertion that the City had disposed 0.84 tons of hazardous waste at the Marine Shale Processing Plant in Amelia, Louisiana in 1988. The site of this plant has subsequently become the site of an environmental clean-up by the United States Environmental Protection Agency (U.S.E.P.A.), and the Louisiana Department of Environmental Quality. The U.S.E.P.A. is seeking to hold potentially responsible parties who contributed hazardous waste to the site responsible for the cost of clean-up. This is being done under the Comprehensive Environmental Response Compensation and Liability Act (CERCLA) as amended (42 U.S.C. Section 9601 *et. seq.*). This act does not require any fault on the part of a party generating hazardous waste. The claim does not imply any misconduct on the part of the City. The law simply provides that all parties that contributed hazardous waste to a site that subsequently has to be cleaned up are responsible for sharing in the cost of the clean-up.

U.S.E.P.A. has sought funding for the clean-up of the site from all of the larger contributors of material to the site. Those contributors that still exist have formed a potentially responsible party group and are seeking financial contribution from the smaller contributors of hazardous waste. As a result, they are seeking a contribution from the City of Minneapolis for its contribution of 0.84 tons of waste and they are offering us a so-called "early De Minimus settlement". The City Attorney's Office and the Department of Public Works, have reviewed documents that show that the City of Minneapolis, Department of Public Works, "Traffic Stores" shipped three barrels of "waste paint-related material" to Marine Shale Processors in 1988. This material was shipped as hazardous waste. We have concluded that we should accept the offer of an early De Minimus settlement and resolve any future claims of liability to MSPSPRG by payment of the \$4,000.00

that has been asked. We have been asked to inform the potentially responsible party group of our decision as to whether to participate no later than June 28, 2013.

We are recommending that the City participate in the de minimus settlement and send notice of that decision to the potentially responsible party group prior to June 28, 2013. We are also recommending that the City Council give authority to the proper city officials to execute the draft settlement agreement that the Marine Shale Processors Site PRP Group has sent to us and to execute any further documents that are necessary to complete the settlement and pay the \$4,000.00 that would be our settlement obligation.

PM# 13-10354/CMC